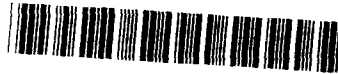


Form PTO-1594 (Rev. 07/05)  
OMB Collection 0651-0027 (exp. 6/30/2)

01-17-2006

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

1/6/06



To the Director of the U. S. Patent a...

103096496

documents or the new address(es) below.

1. Name of conveying party(ies):

Drugmax, Inc.

- Individual(s)
- General Partnership
- Corporation- State: NV
- Other \_\_\_\_\_
- Association
- Limited Partnership

Citizenship (see guidelines) \_\_\_\_\_

Additional names of conveying parties attached?  Yes  No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) October 12, 2005

- Assignment
- Security Agreement
- Other Correction to Assign R/F 00321/0758
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?

- Yes
- No

Name: Wells Fargo Retail Finance, LLC

Internal

Address: \_\_\_\_\_

Street Address: One Boston Place

City: Boston

State: MA

Country: US

Zip: 02108

- Association
- General Partnership
- Limited Partnership
- Corporation

Other LLC Citizenship DE

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

75/643565; 78/500542

B. Trademark Registration No.(s)

1641876; 1642407; 2380336; 2460209; 2605358; 2649950; 2481764; 2211113; 2519826; 2519824

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Christopher E. Kondracki

Internal Address: \_\_\_\_\_

Street Address: 2001 Jefferson Davis Hwy  
Sulte 1007

City: Arlington

State: VA Zip: 22202

Phone Number: 703-415-1555

Fax Number: 703-415-1557

Email Address: \_\_\_\_\_

6. Total number of applications and registrations involved:

12

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 315.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number 19-3545  
Authorized User Name Christopher E. Kondracki

9. Signature:

CBK

Signature

1/6/06

Date

Christopher E. Kondracki  
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 22

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:

Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

01/17/2006 DBYRNL 00000000

01 FC:8521 40.00 DR  
02 FC:8522 275.00 DR

**Conveying Party(ies)**  
**Continuation of the Information for Item 1**

**Valley Drug Company -- Ohio -- Corporation**  
**Execution Date: October 12, 2005**

**Valley Drug Company South -- Louisiana -- Corporation**  
**Execution Date: October 12, 2005**

**Discount Rx, Inc. -- Nevada -- Corporation**  
**Execution Date: October 12, 2005**

**Familymeds, Inc. -- Connecticut -- Corporation**  
**Execution Date: October 12, 2005**

10/20/2006  
700221314

Form PTO-1094 (Rev. 07/05)  
OMB Collection 0851-0097 (exp. 8/30/2008)

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office; Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):  
Drugmax, Inc.

Individual(s)       Association  
 General Partnership       Limited Partnership  
 Corporation- State: NE  
 Other \_\_\_\_\_

Citizenship (see guidelines) \_\_\_\_\_  
Additional names of conveying parties attached?  Yes  No

3. Nature of conveyance /Execution Date(s) :  
Execution Date(s) October 12, 2006

Assignment       Merger  
 Security Agreement       Change of Name  
 Other \_\_\_\_\_

2. Name and address of receiving party(ies)  Yes  
Additional names, addresses, or citizenship attached?  No

Name: Walla Fargo Retail Finance, LLC  
Internal Address: \_\_\_\_\_  
Street Address: One Boston Place  
City: Boston  
State: MA  
Country: US Zip: 02108

Association Citizenship \_\_\_\_\_  
 General Partnership Citizenship \_\_\_\_\_  
 Limited Partnership Citizenship \_\_\_\_\_  
 Corporation Citizenship \_\_\_\_\_  
 Other Company Limited Liability Citizenship DE

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)

4. Application number(s) or registration number(s) and Identification or description of the Trademark:

A. Trademark Application No.(s)  
76/643885; 76/600642

B. Trademark Registration No.(s)  
1641876; 1642407; 2350338; 2460208; 2605358; 2648860;  
2491784; 2211113; 2518826; 2618824

Additional insert(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):


5. Name & address of party to whom correspondence concerning document should be mailed:  
Name: Christopher E. Kondracki  
Internal Address: \_\_\_\_\_  
Street Address: 2001 Jefferson Davis Hwy  
Suite 1007  
City:  Arlington  
State: VA Zip: 22202  
Phone Number: 703-415-1555  
Fax Number: 703-415-1557  
Email Address: \_\_\_\_\_

6. Total number of applications and registrations involved: 12

7. Total fee (37 CFR 2.6(h)(6) & 5.41) \$ 315.00

Authorized to be charged by credit card  
 Authorized to be charged to deposit account  
 Enclosed

8. Payment Information:  
a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_  
b. Deposit Account Number 18-8845  
Authorized User Name Christopher E. Kondracki

9. Signature:  10/23/06  
Signature Date  
Christopher E. Kondracki Total number of pages including cover sheet, attachments, and documents: 17  
Name of Person Signing

Documents to be recorded (including cover sheet) should be filed in (57) 273-8140, or mailed to: Mail Stop Assignment Registration Services, Director of the USPTO, P.O. Box 1460, Alexandria, VA 22313-1460

## **INTELLECTUAL PROPERTY SECURITY AGREEMENT**

**INTELLECTUAL PROPERTY SECURITY AGREEMENT** (this "**Agreement**") dated as of October 12, 2005 by and among (a) each of the Persons listed on Schedule I hereto (each such Person, individually, a "**Grantor**" and, collectively, the "**Grantors**"), and (b) Wells Fargo Retail Finance, LLC, a Delaware limited liability company, in its capacity as agent (in such capacity herein, the "**Agent**") for itself and the other financial institutions named in the Loan Agreement (as defined below) as Revolving Credit Lenders (such financial institutions, together with their respective successors and assigns, are referred to hereinafter each individually as a "**Lender**" and collectively as the "**Lenders**"), in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

### WITNESSETH:

Reference is made to that certain Loan and Security Agreement dated as of even date herewith (as amended, modified, supplemented or restated hereafter, the "**Loan Agreement**") by and among (i) the Lead Borrower, (ii) the Borrowers, (iii) the Agent, and (iv) the Lenders. Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Loan Agreement.

The Lenders have agreed, among other things, to make Revolving Credit Loans to the Lead Borrower and the Borrowers pursuant to, and upon the terms and subject to the conditions specified in, the Loan Agreement. The obligations of the Lenders to make Revolving Credit Loans are each conditioned upon, among other things, the execution and delivery by the Grantors of an agreement in the form hereof to secure the Liabilities.

Accordingly, the Grantors and the Agent, on behalf of itself and each Lender (and each of their respective successors or assigns), hereby agree as follows:

1. **DEFINITIONS:** As used herein, the following terms shall have the following meanings:

"**Copyrights**" shall mean all copyrights and like protections in each work of authorship or derivative work thereof of each of the Grantors, whether registered or unregistered and whether published or unpublished, including, without limitation, the copyrights listed on **EXHIBIT A** annexed hereto and made a part hereof, together with all registrations and recordings thereof, all applications in connection therewith, and any goodwill of the business connected with, and symbolized by, any of the foregoing.

"**Copyright Licenses**" shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to use any Copyright, including, without limitation, the agreements listed on **EXHIBIT A** annexed hereto and made a part hereof.

**“Copyright Office”** shall mean the United States Copyright Office or any other federal governmental agency which may hereafter perform its functions.

**“Intellectual Property”** shall have the meaning assigned to such term in **Section 3** hereof.

**“IP Collateral”** shall have the meaning assigned to such term in **Section 2** hereof.

**“Licenses”** shall mean, collectively, the Copyright Licenses, Patent Licenses and Trademark Licenses.

**“Material Adverse Effect”** shall mean a result, consequence, or outcome which constitutes a Material Adverse Change. In determining whether any individual event would result in a Material Adverse Effect, notwithstanding that such event in and of itself does not have such effect, a Material Adverse Effect shall be deemed to have occurred if the cumulative effect of such event and all other then existing events would result in a Material Adverse Effect.

**“Patents”** shall mean all letters patent and applications for letters patent of each of the Grantors, and the inventions and improvements therein disclosed, and any and all divisions, reissues and continuations of said letters patent including, without limitation the patents listed on **EXHIBIT B** annexed hereto and made a part hereof.

**“Patent Licenses”** shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, use or sell any invention covered by a Patent, including, without limitation, the agreements listed on **EXHIBIT B** annexed hereto and made a part hereof.

**“PTO”** shall mean the United States Patent and Trademark Office or any other federal governmental agency which may hereafter perform its functions.

**“Trademarks”** shall mean all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles, service marks, designs, logos and other source or business identifiers of the Grantors, whether registered or unregistered, including, without limitation, the trademarks listed on **EXHIBIT C** annexed hereto and made a part hereof, together with all registrations and recordings thereof, all applications in connection therewith, and any goodwill of the business connected with, and symbolized by, any of the foregoing.

**“Trademark Licenses”** shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark, including, without limitation, the agreements listed on **EXHIBIT C** annexed hereto and made a part hereof.

2. **GRANT OF SECURITY INTEREST:** In furtherance and as confirmation of the security interest granted by the Grantors to the Agent, for the ratable benefit of the

Lenders, under the Loan Agreement, and as further security for the payment or performance, as the case may be, in full of the Liabilities, each Grantor hereby ratifies such security interest and grants to the Agent, for the ratable benefit of the Lenders, a continuing security interest, with a power of sale (which power of sale shall be exercisable only following the occurrence of an Event of Default), in all of the present and future right, title and interest of the Grantors in and to the following property, and each item thereof, whether now owned or existing or hereafter acquired or arising, together with all products, proceeds, substitutions, and accessions of or to any of the following property (collectively, the "IP Collateral"):

- (a) All Copyrights and Copyright Licenses.
- (b) All Patents and Patent Licenses.
- (c) All Trademarks and Trademark Licenses.
- (d) All renewals of any of the foregoing.
- (e) All General Intangibles connected with the use of, or related to, any and all Intellectual Property (including, without limitation, all goodwill of the Grantors and their business, products and services appurtenant to, associated with, or symbolized by, any and all Intellectual Property and the use thereof).
- (f) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.
- (g) The right to sue for past, present and future infringements and dilutions of any of the foregoing.
- (h) All of the Grantors' rights corresponding to any of the foregoing throughout the world.

3. **PROTECTION OF INTELLECTUAL PROPERTY BY GRANTORS:** Except as set forth below in this Section 3, the Grantors shall undertake the following with respect to each of the items respectively described in Sections 2(a), (b), (c), (d) and (e) (collectively, the "Intellectual Property"):

- (a) Pay all renewal fees and other fees and costs associated with maintaining the Intellectual Property and with the processing of the Intellectual Property and take all other reasonable and necessary steps to maintain each registration of the Intellectual Property.

- (b) Take all actions reasonably necessary to prevent any of the Intellectual Property from becoming forfeited, abandoned, dedicated to the public, invalidated or impaired in any way.
- (c) At the Grantors' sole cost, expense, and risk, pursue the reasonably prompt, diligent processing of each application for registration which is the subject of the security interest created herein and not abandon or delay any such efforts.
- (d) At the Grantors' sole cost, expense, and risk, take any and all action which the Grantors reasonably deem appropriate under the circumstances to protect the Intellectual Property from infringement, misappropriation or dilution, including, without limitation, the prosecution and defense of infringement actions.

Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, and no Material Adverse Effect would result therefrom, no Grantor shall have an obligation to use, protect, or to maintain any Intellectual Property (i) that relates solely to any product that has been discontinued, abandoned or terminated or (ii) that has been replaced with Intellectual Property substantially similar to the Intellectual Property that may be abandoned or otherwise become invalid, so long as the failure to use or maintain such Intellectual Property does not materially adversely affect the validity of such replacement Intellectual Property and so long as such replacement Intellectual Property is subject to the lien created by this Agreement.

4. **GRANTORS' REPRESENTATIONS AND WARRANTIES:** The Grantors represent and warrant that:

- (a) **EXHIBIT A** is a true, correct and complete list of all Copyrights and Copyright Licenses owned by the Grantors as of the date hereof.
- (b) **EXHIBIT B** is a true, correct and complete list of all Patents and Patent Licenses owned by the Grantors as of the date hereof.
- (c) **EXHIBIT C** is a true, correct and complete list of all Trademarks and Trademark Licenses owned by the Grantors as of the date hereof.
- (d) Except as set forth in **EXHIBITS A, B and C**, none of the Intellectual Property is the subject of any licensing or franchise agreement pursuant to which any Grantor is the licensor or franchisor.
- (e) All IP Collateral is, and shall remain, free and clear of all Encumbrances, liens, or security interests in favor of any Person, other than Permitted Encumbrances and Encumbrances in favor of the Agent.

- (f) Each of the Grantors own, or are licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No material claim has been asserted and is pending by any Person challenging or questioning the use by any Grantor of any of its Intellectual Property or the validity or effectiveness of any of its Intellectual Property, nor does any Grantor know of any valid basis for any such claim, except as otherwise set forth in the Loan Agreement. The Grantors consider that the use by the Grantors of the Intellectual Property does not infringe the rights of any Person in any material respect. No holding, decision or judgment has been rendered by any governmental authority which would limit, cancel or question the validity of, or any Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect on the business or the property of any Grantor.
- (g) The Grantors shall give the Agent written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following:
- (i) The Grantors' obtaining rights to, and filing applications for registration of, any new Intellectual Property, or otherwise acquiring ownership of any newly registered Intellectual Property (other than the Grantors' right to sell products containing the trademarks of others in the ordinary course of the Grantors' business).
  - (ii) The Grantors' becoming entitled to the benefit of any registered Intellectual Property whether as licensee or licensor (other than the Grantors' right to sell products containing the trademarks of others in the ordinary course of the Grantors' business).
  - (iii) The Grantors' entering into any new Licenses.
  - (iv) The Grantors' knowing or having reason to know that any application or registration relating to any Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the PTO, the Copyright Office or any court or tribunal) regarding the Grantors' ownership of, or the validity of, any Intellectual Property or the Grantors' right to register the same or to own and maintain the same.

**5. AGREEMENT APPLIES TO FUTURE INTELLECTUAL PROPERTY:**

- (a) The provisions of this Agreement shall automatically apply to any such additional property or rights described in subsections (i), (ii) and (iii) of



Section 4(g), above, all of which shall be deemed to be and treated as "Intellectual Property" within the meaning of this Agreement.

- (b) Upon the reasonable request of the Agent, the Grantors shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Agent may request to evidence the Agent's security interest in any Copyright, Patent or Trademark and the goodwill and General Intangibles of the Grantors relating thereto or represented thereby (including, without limitation, filings with the PTO, the Copyright Office or any similar office), and the Grantors hereby constitute the Agent as their attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; *provided, however*, the Agent's taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

6. **GRANTORS' RIGHTS TO ENFORCE INTELLECTUAL PROPERTY:** Prior to the Agent's giving of notice to the Grantors following the occurrence of an Event of Default, the Grantors shall have the exclusive right to sue for past, present and future infringement of the Intellectual Property including the right to seek injunctions and/or money damages, in an effort by the Borrowers to protect the Intellectual Property against encroachment by third parties, *provided, however*:

- (a) The Grantors provide the Agent with written notice of any such suit for enforcement of any Intellectual Property.
- (b) Any money damages awarded or received by the Grantors on account of such suit (or the threat of such suit) shall constitute IP Collateral.
- (c) Following the occurrence and during the continuance of any Event of Default, the Agent, by notice to the Grantors may terminate or limit the Grantors' rights under this Section 6.

7. **Agent's Actions To Protect Intellectual Property:** In the event of:

- (a) the Grantors' failure, within five (5) days of written notice from the Agent, to cure any failure by the Grantors to observe or perform any of the Grantors' covenants, agreements or other obligations hereunder; and/or
- (b) the occurrence and continuance of any other Event of Default,

the Agent, acting in its own name or in that of the Grantors, may (but shall not be required to) act in the Grantors' place and stead and/or in the Agent's own right in connection therewith.

8. **RIGHTS UPON DEFAULT:** Upon the occurrence of any Event of Default, the Agent may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in the Commonwealth of Massachusetts, with respect to the Intellectual Property, in addition to which, in connection with the exercise of any such rights and remedies, the Agent may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property. The Agent shall give the Grantors at least ten (10) days' prior written notice, by authenticated record, of any such intended disposition of the Intellectual Property. Any person may conclusively rely upon an affidavit of an officer of the Agent that an Event of Default has occurred and that the Agent is authorized to exercise such rights and remedies.

9. **AGENT AS ATTORNEY IN FACT:**

(a) The Grantors hereby irrevocably constitute and designate the Agent as and for the Grantors' attorney in fact, effective following the occurrence and during the continuance of any Event of Default:

(i) To supplement and amend from time to time **EXHIBITS A, B and C** of this Agreement to include any new or additional Intellectual Property of the Grantors.

(ii) To exercise any of the rights and powers referenced herein.

(iii) To execute all such instruments, documents, and papers as the Agent determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Intellectual Property.

(b) The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until this Agreement is terminated by a duly authorized officer of the Agent.

(c) The Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 9(a), but if the Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to any Grantor for any act or omission to act except for any act or omission to act as to which there is a final determination made in a judicial proceeding (in which proceeding the Agent has had an opportunity to be heard) which determination includes a specific finding that the subject act or omission to act had been grossly negligent or in actual bad faith.

10. **AGENT'S RIGHTS:**

- (a) Any use by the Agent of the Intellectual Property, as authorized hereunder in connection with the exercise of the Agent's rights and remedies under this Agreement and the Loan Agreement, shall be coextensive with the Grantors' rights thereunder and with respect thereto and without any liability for royalties or other related charges.
- (b) None of this Agreement or the Loan Agreement, or any act, omission, or circumstance taken or arising hereunder may be construed as directly or indirectly conveying to the Agent any rights in and to the Intellectual Property, which rights are effective only following the occurrence of any Event of Default.

11. **INTENT:** This Agreement is being executed and delivered by the Grantors for the purpose of registering and confirming the grant of the security interest of the Agent in the IP Collateral with the PTO and the Copyright Office. It is intended that the security interest granted pursuant to this Agreement is granted as a supplement to, and not in limitation of, the security interest granted to the Agent, for the ratable benefit of the Lenders, under the Loan Agreement. All provisions of the Loan Agreement shall apply to the IP Collateral. The Agent shall have the same rights, remedies, powers, privileges and discretions with respect to the security interests created in the IP Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Loan Agreement, the terms of this Agreement shall control with respect to the IP Collateral and the Loan Agreement with respect to all other Collateral.
12. **CHOICE OF LAWS:** It is intended that this Agreement take effect as a sealed instrument and that all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of the Commonwealth of Massachusetts.

**[SIGNATURE PAGES FOLLOW]**

IN WITNESS WHEREOF, the Grantors and the Agent respectively have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

**GRANTORS:**

**DRUGMAX, INC.,** a Nevada corporation

By: *E.A. Mercadante*  
Print Name: Edgardo A. Mercadante  
Title: President & CEO

**DISCOUNT RX, INC.,** a Nevada corporation

By: *E.A. Mercadante*  
Print Name: Edgardo A. Mercadante  
Title: President & CEO

**VALLEY DRUG COMPANY,** an Ohio corporation

By: *E.A. Mercadante*  
Print Name: Edgardo A. Mercadante  
Title: President & CEO

**VALLEY DRUG COMPANY SOUTH,** a Louisiana corporation


By: *E.A. Mercadante*  
Print Name: Edgardo A. Mercadante  
Title: President & CEO

**FAMILYMEDS, INC.** a Connecticut corporation

By: *E.A. Mercadante*  
Print Name: Edgardo A. Mercadante  
Title: President & CEO

**AGENT:**

**WELLS FARGO RETAIL FINANCE, LLC**

By:   
Name: DAVID MAHAN  
Title: V.P.

Signature Page 2 to IP Security Agreement

**SCHEDULE I**

**Grantors**

**DRUGMAX, INC.**, a Nevada corporation

**VALLEY DRUG COMPANY**, an Ohio corporation

**VALLEY DRUG COMPANY SOUTH**, a Louisiana corporation

**DISCOUNT RX, INC.**, a Nevada corporation

**FAMILYMEDS, INC.**, a Connecticut corporation

HART1-1285957-3

**EXHIBIT A****List of Copyrights and Copyright Licenses**

1. Familymeds, Inc. has made use of the name "Arrow" and therefore may possess some common law rights to the name. However, there is evidence of some dilution of the mark due to the use of the name "Arrow" in the marketplace by unrelated entities. As such, Grantors make no representations as to the extent, if any, of such rights.
2. Familymeds, Inc. has made use of the marks "Scriptalert", "Senior Save15", "Reliable Refill", "Refill Reminder," "Worksite Pharmacy," and "America's Medication Specialist" and therefore may possess some common law rights as to said marks. Borrower makes no representations, however, as to the extent, if any, of such rights.
3. Grantors have made use of other various marks, and therefore may possess some common law rights as to said marks. Grantors make no representations, however, as to the extent, if any, of such rights.
4. Grantors have created various written materials in conjunction with its business operations. By virtue of such creation, they may possess certain copyrights to said material. However, Grantors make no representations as to the extent, if any, of such rights.
5. Familymeds has obtained licenses to use all software described in Schedule A-5 attached hereto. Familymeds believes that it possesses these licenses in sufficient quantity to conduct its normal business operations. However, these licenses have not been reviewed for purposes of this Agreement, and Familymeds therefore makes no representations with respect to said licenses.

Exhibit B to IP Security Agreement

Software Licenses

Software Name	Software	Count
ABYY FineReader 6.0 Sprint		1
Adaptive EZ-Scan 4.0		1
Adobe Acrobat 4.0		1
Adobe Acrobat 6.0		18
Adobe Acrobat 6.0 Standard		6
Adobe ImageReady 1.0		1
Adobe PageMaker 7.0		1
Adobe Photoshop 7.0		4
Adobe Reader 6.0.1		25
Adobe Type Manager 4.1		1
ADP Program for Windows 4.20		1
Agave Systems AC97 Modem		1
ALABAMA MEDCAD Provider Manual		1
ALPS Touch Pad Driver		6
ASP		6
AspZone National Get Cup Screen Saver		1
Auto Cash Payments		2
AutoDiscovery and Layout		4
AutoDiscovery and Layout Help		4
Avery Wizard 2.0 for Microsoft Word 97		1
Banking Service Agreement		1
BCA V.25.83K Modem		1
Billing Edge		1
BlackBerry Desktop Manager		7
BlackBerry Desktop Manager 3.5		7
BlackBerry Desktop Software 2.1		1
BlackBerry v2.4 for the RIM 680, 687, 680 and 687 Handsets		6
BroadJump Scan! Foundation		1
BTJava		4
Business Contact Manager for Outlook 2003		7
Chit! EA Client		18
ChitSphere 2.0		1
Crystal Reports for SQL		29
Crystal Reports for PeopleSoft		2
Digiparty		2
DirLink 3.0		1
Easy CD Creator 5 Basic		1
EPSON Stylus Cx110		1
FAR Asset Accounting Client v2001.1		1
FAR Asset Accounting Client v2002.1		4
FAR Asset Accounting Client v2004.1		3
GNAT Box VPN Client		2
GTA GNAT Box Authentication		2
Manufacture for TIME		1
Java 2 Runtime Environment SE v1.4.1_01		1
Java 2 Runtime Environment SE v1.4.2_03		8
Java 2 Runtime Environment Standard Edition v1.3.1_03		1
LiveAdvisor (Symantec Corporation)		1
LiveLog (Symantec Corporation)		1
LiveUpdate		20
LiveUpdate 2.0 (Symantec Corporation)		20
Logitech MouseWare 3.76.1		1
Lotus Notes 8.0 Connector (remove only)		4
MacOS SecurityCenter		1
Machine WorkShop		1
MetaFrame Presentation Server Client		2
Microsoft .NET Framework 1.1		12
Microsoft Internet Explorer 6.5 and Internet Tools		3
Microsoft Internet Explorer 6 and Internet Tools		1
Microsoft Internet Explorer 6 SP1		13
Microsoft Internet Explorer 6 SP1 and Internet Tools		40
Microsoft Music Center		2
Microsoft Networking 2.1		3
Microsoft Office 97 Professional Edition		81
Microsoft Office Professional Edition 2003		7
Microsoft Office XP Media Center		4
Microsoft Office XP Professional		6
Microsoft Outlook 98		48
Microsoft Project 98		0
Microsoft Project Standard 2002		2
Microsoft Publisher 2002		6
Microsoft SQL Server 7.0		28
Microsoft Visio 2000		4
Microsoft Word Publishing Wizard 1.0		5
Microsoft Windows Media Player 6.4		44
National Association of Chain Drug Stores with MailView Reader		2
Networking 3.0		2
Novell Anniversary Corporate Edition		20
Palms Desktop		1
PCTEL 3504WT V.02 Modem Drivers		2
PCTEL 3504WT V.03 Modem Drivers		3
Performance Now 4		10
PowerDVD		1
PracticalTime		1
ReportsEverywhere		1
ReportsEverywhere42		3
Seagate Crystal Reports 7		1
Shogun 6		16
SnapShot Viewer 3.0		2
Sony DLA		1
Sony MyDVD		2
Sony PictureIt		2
System Update Manager		2
Systemic AntiVirus		28
Systemic AntiVirus		2
Systemic ProActive Plus		2
TextPad 4		2
UnityText Pro Edition		20
Turno User		2
TVTask 5		4
Video		6
Video 2000		2
Video Technical 5.0 Plus		2
WebEx		4
WinZip		57
<b>Operating System</b>		
Windows NT 4.0 build 1381 (Service Pack 6) Count		44
Windows NT 4.0 build 2185 (Service Pack 4) (Windows 2000) Count		16
Windows NT 4.0 build 2185 (Service Pack 4) (Windows XP) Count		1
Windows NT 4.0 build 2600 (Service Pack 1) (Windows XP) Count		73
Win		35
HCC Systematic Pharmacy Mgmt Software License (Domain)		65
HCC PC9 Database License		1
AT&T WorldLingo		1
MSI 8430EL		1
AVT Call Software		2
Tools Management System		1
Topik		7



**EXHIBIT B****List of Patents and Patent Licenses****Patents and Patent Applications**

<b>Applicant</b>	<b>Patent Application</b>	<b>Application/Serial No.</b>	<b>Application Date</b>
Discount Rx, Inc. (a Nevada corporation)	10/717,979	60/427,721	03/10/04 Status Pending

Exhibit B to IP Security Agreement

**EXHIBIT C****List of Trademarks and Trademark Licenses****Trademark Registrations and Applications****Trademark Registrations:**

Owner	Trademark	Registration No.	Registration Date
Familymeds, Inc.	ARROW DRUG (AND DESIGN)	1,641,876	04/23/91
Familymeds, Inc.	ARROW PRESCRIPTION CENTER (AND DESIGN)	1,642,407	04/23/91
Familymeds, Inc.	ARROW PRESCRIPTION PLAN	2,380,336	08/29/00
Familymeds, Inc.	FAMILYMEDS	2,460,209	06/12/01
Familymeds, Inc.	FAMILYMEDS	2,605,358	08/06/12
Familymeds, Inc.	FAMILYMEDS PHARMACY	2,649,950	11/12/02
Familymeds, Inc.	FAMILYMEDS.COM	2,481,764	08/28/01
Familymeds, Inc.	SAFESCRIPT	2,211,113	12/15/98
DrugMax, Inc. [Note: PTO Records list ownership in the name of DrugMax Com, Inc., the former name of DrugMax, Inc.]	DRUGMAX	2,519,826	12/18/01
DrugMax, Inc. [Note: PTO Records list ownership in the name of DrugMax, Com, Inc., the former name of DrugMax, Inc.]	DRUGMAX.COM	2,519,824	12/18/01

**Trademark Applications:**

Applicant	Trademark Application	Application/Serial No.	Application/Filing Date
DrugMax, Inc. [Note: PTO Records list ownership in the name of DrugMax, Com, Inc., the former name of DrugMax, Inc.]	JAVASLIM	75-643565	02/18/99
Familymeds, Inc.	WORKSHEET FOR MA...	SN 78/500-372	10/15/92

Exhibit B to IP Security Agreement